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Attorneys for Director Stephanie Shimazu
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9
10 **BEFORE THE**
11 **CALIFORNIA GAMBLING CONTROL COMMISSION**
12 **STATE OF CALIFORNIA**
13
14

15 In the Matter of the Applications for the
16 Renewal of the State Gambling Licenses for:

17 **Angela K. Harris**, sole proprietor, and doing
business as: **Casino 99**
18 175 East 20th Street, Suite 150
Chico, California 95928

19 and

20 **Gary Harris**, community property interest
21 holder in **Casino 99**
175 East 20th Street, Suite 150
22 Chico, California 95928

23
24 **Applicants.**
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CGCC Case No. CGCC-2018-0322-4B
BGC Case No. BGC- HQ2018-00017SL

**STIPULATED SETTLEMENT;
DECISION AND ORDER**

1 **STIPULATED SETTLEMENT**

2 **PARTIES AND JURISDICTION**

3 1. Stephanie Shimazu submitted the Statement of Particulars in this matter solely in her
4 official capacity as the Director of the California Department of Justice, Bureau of Gambling
5 Control (Bureau).

6 2. On October 17, 2017, the Bureau received an Application for State Gambling
7 License, dated October 11, 2017, from Angela K. Harris (Ms. Harris), to renew her state
8 gambling license, number GEOW-001069, as the sole owner of Casino 99, an 8-table, licensed
9 gambling establishment, license number GEGE-000438, located in Chico, California.¹

10 3. On October 17, 2017, the Bureau received an Application for State Gambling
11 License, dated October 11, 2017, from Gary Harris (Mr. Harris), the spouse of Ms. Harris, to
12 renew his state gambling license, number GEOW-001070, as a community property interest
13 holder in Casino 99.²

14 4. On or about December 18, 2017, the Bureau submitted a Gambling Establishment and
15 Owner Renewal Report, Level II (Report), to the California Gambling Control Commission
16 (Commission). On or about January 9, 2018, the Bureau submitted an addendum to the Report to
17 the Commission. On or about February 9, 2018, the Bureau submitted a second addendum to the
18 Report to the Commission in which it recommended that the Commission place a condition on
19 Casino 99's license that requires Mr. Harris to submit an Application for a State Gambling
20 License as an owner of Casino 99.

21
22 ¹ Ms. Harris was initially registered to own and operate Casino 99 on September 15,
23 1997, under the Gaming Registration Act (former Bus. & Prof. Code, § 19800 et seq.). The
24 Gaming Registration Act was the predecessor of the current Gambling Control Act (Bus. & Prof.
Code, § 19800 et seq.). Ms. Harris has been continuously registered or licensed to own and
operate Casino 99 since September 15, 1997.

25 ² On or about June 21, 1999, Mr. Harris submitted a Spouse's Declaration,
26 Acknowledgement and Agreement in which he avowed, under of penalty of perjury, that his sole
27 and exclusive interest in Casino 99 was his community property interest and agreed that he could
28 not lawfully engage in any activity at Casino 99 for which a registration, finding of suitability,
permit or license may be required. Mr. Harris has continuously held a state gambling license as a
community property interest holder in Casino 99 since November 2000.

5. On or about March 22, 2018, the Commission referred consideration of the renewal of Ms. Harris', Mr. Harris', and Casino 99's licenses to an evidentiary hearing, which is to be held pursuant to California Code of Regulations, title 4, section 12060. At that time, the Commission also issued an interim renewal license pursuant to California Code of Regulations, title 4, section 12035, valid through January 31, 2020, to allow for the continued operation of Casino 99.

6. On April 9, 2018, a Notice of Defense, dated April 4, 2018, was submitted on behalf of “Casino 99.”³

ADVISEMENT AND WAIVERS

7. Both Ms. Harris and Mr. Harris have carefully reviewed, and have discussed with their chosen designated representative, the legal and factual allegations in the Statement of Particulars. Both Ms. Harris and Mr. Harris have also carefully reviewed, and have discussed with their designated representative, this Stipulated Settlement. Both Ms. Harris and Mr. Harris fully understand the terms and conditions contained within this Stipulated Settlement and the effects thereof.

8. Both Ms. Harris and Mr. Harris are fully aware of their legal rights in this matter, including the right to a hearing before the Commission on their suitability for licensure and all the allegations in the Statement of Particulars; the right to be represented by counsel of their choice at their own expense; the right to confront and cross-examine witnesses; the right to present evidence and testify on their own behalf; the right to the issuance of subpoenas to compel the attendance of witnesses and the production of documents; the right to apply for reconsideration and court review of an adverse decision; and all other rights afforded by the Act, the regulations promulgated thereunder, and all other applicable laws.

³ Separate Notices of Defense were not submitted on behalf of Ms. Harris or Mr. Harris, nor were they identified on the Notice of Defense submitted on behalf of Casino 99. However, from the record, it is clear that a hearing was being sought to address the renewal of all licenses related to the ownership and operation of Casino 99. Accordingly, the Bureau is not seeking denial of the applications to renew the license of Ms. Harris or Mr. Harris pursuant to California Code of Regulations, title 4, section 12052, subdivision (c)(2)(F) (default decision).

1 9. Both Ms. Harris and Mr. Harris hereby voluntarily, knowingly, and intelligently
2 waive and give up each and every right set forth in paragraph 8 above, withdraw their Notice of
3 Defense, and agree to be bound by this Stipulated Settlement.

4 **STIPULATED AGREEMENT OF SETTLEMENT**

5 10. For the purposes of resolving this matter, the issue of their continued suitability for
6 licensure, and for any other matters now and in the future involving the Commission, the Bureau,
7 or licensed gambling, both Ms. Harris and Mr. Harris knowingly and voluntarily admit that all the
8 factual and legal allegations in the Statement of Particulars are true, accurate, and complete.

9 11. Both Ms. Harris and Mr. Harris understand and agree that the admissions made in
10 paragraph 10 above may be entered into evidence in any legal proceeding brought or prosecuted
11 by the Commission or the Bureau, as if those admissions were made under oath and penalty of
12 perjury.

13 12. Both Ms. Harris and Mr. Harris expressly agree that their continued licensures shall
14 be subject to the following:

15 a. Upon the effective date of the Commission's Decision and Order adopting
16 this Stipulated Settlement, Ms. Harris' state gambling license to own and operate Casino
17 99 shall be renewed and subject to the conditions that:

- 18 1. Within 45 calendar days of the effective date of the Commission's
19 Decision and Order adopting this Stipulated Settlement, Mr. Harris must
20 apply for and, upon approval, maintain a state gambling license as an
21 owner of Casino 99; and
22 2. The financial statements covering all financial activities of Casino 99,
23 including the profit and loss statement, and the statement of financial
24 position, be prepared in accordance with generally accepted accounting
25 principles.

26 b. Upon the effective date of the Commission's Decision and Order adopting
27 this Stipulated Settlement, Mr. Harris' state gambling license as a community property
28 interest holder in Casino 99 shall be renewed and subject to the condition that:

- 1 1. Within 45 calendar days of the effective date of the Commission's
2 Decision and Order adopting this Stipulated Settlement, Mr. Harris must

1 apply for and, upon approval, maintain a state gambling license as an
2 owner of Casino 99.

3 13. Both Ms. Harris and Mr. Harris understand that Mr. Harris' ability to participated in
4 the operation, management or control of Casino 99 is contingent upon the type of license he
5 holds, as defined and regulated by Gambling Control Act (Bus. & Prof. Code, § 19800 et seq.),
6 and the regulations promulgated thereunder.

7 14. The Bureau agrees not to seek fines, penalties, or costs related to this matter.

8 15. The parties agree that this Stipulated Settlement fully resolves this matter.

9 16. This Stipulated Settlement shall be subject to adoption by the Commission. Both Ms.
10 Harris and Mr. Harris understand and specifically agree that counsel for the Bureau, and the
11 Bureau's staff, may communicate directly with the Commission regarding this Stipulated
12 Settlement, without notice to, or participation by, either Ms. Harris, Mr. Harris, or their
13 designated representative, and that no such communication shall be deemed a prohibited ex parte
14 communication. Both Ms. Harris and Mr. Harris specifically acknowledge and agree that such
15 communications are permissible pursuant to Government Code section 11430.30, subdivision (b).

16 17. By signing this Stipulated Settlement, both Ms. Harris and Mr. Harris understand and
17 agree that they may not withdraw their agreement or seek to rescind the Stipulated Settlement
18 prior to the time the Commission considers and acts upon it. If the Commission fails to adopt this
19 Stipulated Settlement as its Decision and Order, this Stipulated Settlement shall be of no force or
20 effect, and, except for actions taken pursuant to this paragraph and paragraph 15 above, it shall be
21 inadmissible in any legal action between the parties. The Commission's consideration of this
22 Stipulated Settlement shall not disqualify it from any further action regarding either Ms. Harris'
23 or Mr. Harris' licensure, including, but not limited to, disposition of this matter by a decision and
24 order following a hearing on the merits.

25 18. The parties agree that a photocopy, facsimile or electronic copy of this Stipulated
26 Settlement, including copies with signatures thereon, shall have the same force and effect as an
27 original.

28 19. In consideration of the above admissions and stipulations, the parties agree that the

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Dated: November 22, 2018

Dated: November 22, 2018

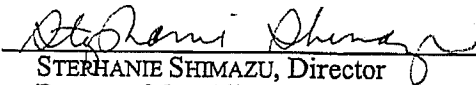
Approved as to Form:

Dated: November 22, 2018

Stanley Seif, Designated Representative
Angela Harris, Gary Harris & Casino 99

BUREAU'S ACCEPTANCE

Dated: November 27, 2018

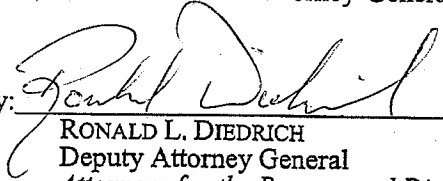

STEPHANIE SHIMAZU, Director
Bureau of Gambling Control
California Department of Justice

The foregoing Stipulated Settlement is hereby respectfully submitted for consideration by
the California Gambling Control Commission.

Dated: November 28, 2018

XAVIER BECERRA
Attorney General of California
SARA J. DRAKE
Senior Assistant Attorney General

By:


RONALD L. DIEDRICH
Deputy Attorney General
Attorneys for the Bureau and Director Shimazu

1 **DECISION AND ORDER OF THE COMMISSION**

2 The California Gambling Control Commission hereby adopts the foregoing Stipulated
3 Settlement of the parties for the case of *In the Matter of the Applications for the Renewal of the*
4 *State Gambling Licenses for: Angela K. Harris (GEOW-001069), sole proprietor, and doing*
5 *business as: Casino 99 (GEGE-000438), and Gary Harris (GEOW-001070), community property*
6 *interest holder in Casino 99, CGCC Case No. CGCC-2018-0322-4B, GBC Case No. BGC-*
7 *HQ2018-00017SL, as its final Decision and Order in this matter to be effective upon execution*
8 below by its members.

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10 **IT IS SO ORDERED**

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12 Dated: 2/7/19

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14 _____
15 Jim Evans, Chairperson

16 Dated: 2/7/19

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18 _____
19 Paula LaBrie, Commissioner

20 Dated: 2/7/19

21 
22 _____
23 Garth Lacy, Commissioner

24 Dated: 2/7/19

25 
26 _____
27 Trang To, Commissioner
28